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INFORMATION REPORT

CD NO.

COUNTRY

Argentina/Spain

Continued Deterioration of Spanish-Argentine

Relations

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- 1. Spanish shipping is reported to be encountering considerable difficulty in obtaining loading and export permits in Argentina. Many Spanish ships have left port with insufficient cargo to cover expenses. Other Spanish ships have been tied up an unusually long time because of complicated Argentine regulations.
- The following Spanish ships were awaiting authorization to begin loading operations on 23 March:

SS MONTE NAFARRATE

SS MONTE JATA

SS MONTE ORDUNA

SS COBETAS

SS MONTE NEGRO

SS JUPITER

at Rosario

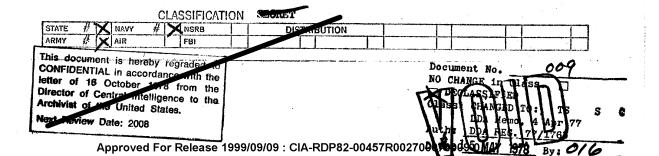
at Santa Fe

at Dock Sud (Buenos Aires) at Dock Sud (Buenos Aires)

at Darsena Norte

at Darsena Norte

- The SS CABO DE HORNOS left Buenos Aires on 16 March carrying a cargo of 1950 tons of inferior quality wheat. The MONTE UDALA left on 18 March carrying 200 tons of grain and 70 tons of tobacco. The MONTE AYALA, which had not received loading authorization by the date of its scheduled sailing on 24 March, was ordered by its owners to prepare for departure to avoid excessive dock charges. Several other Spanish ships sailed in ballast for the same reason.
- Spain, on the other hand, has not complied with its commitments under the Franco-Peron protocol. Several Spanish ships have arrived in Argentina in ballast or with very reduced cargoes. The MONTE UDALA arrived in Buenos Aires on 5 March with only 22 tons of unimportant hardware (which included a lathe consigned to Miranda). Much needed industrial equipment has not been forthcoming.
- 5. The following statements on Spanish-Argentine relations were made by Jose Maria de Areilza, Spanish Ambassador in Buenos Aires.



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- a. The present weakened relations between Spain and Argentina actually date from the official visit to Argentina of Alberto Martin Artajo, Spanish Foreign Minister, rather than from the resignation of Miguel Miranda. Ambassador Areilza accuses Artajo of having committed fatal indiscretions which left an unfavorable impression with the Perons.
- b. Areilza has asked for his recall because of the current lack of cooperation between the two countries. He is as displeased with the actions of Spain with regard to the Franco-Peron protocol as he is with the Argentine government.
- c. When he called on Mrs. Peron recently to discuss the Spanish-Argentine shipping situation, he was received coldly and dismissed rather rudely by Mrs. Peron. He was denied an interview with President Peron on the same day.
- d. Ambassador Areilza recently stated to close friends that Peron's speech at Campo de Mayo was a grave political error. Peron should have openly confessed that Argentina's economy is unstable and made a direct appeal to industry and commerce to help re-establish stability. Peron's present course will inevitably lead to a catastrophe which will cause a violent social revolution in Argentina, in the opinion of Areilza.
- 6. Dr. Jose Miguel Francisco Luis Figuerola, a Spanish national and Technical Secretary to the Argentine President, recently submitted his resignation because of a clause in the new Argentine constitution declaring foreigners ineligible to hold public office. Peron reportedly refused to accept the resignation and told Figuerola that such technicalities as the clause could be easily circumvented. However, the latter finally submitted his irrevocable resignation as he felt that he had been deceived by Peron. Six other Spanish nationals who held positions of responsibility in the Argentine government have also submitted their resignations.

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